

CENTURYTEL INC

FORM 8-K

(Unscheduled Material Events)

Filed 2/7/2001 For Period Ending 1/30/2001

| | |
|-------------|---|
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| Industry | Communications Services |
| Sector | Services |
| Fiscal Year | 12/31 |

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) January 30, 2001

CenturyTel, Inc.

(Exact name of registrant as specified in its charter)

Louisiana
(State or other
jurisdiction of
incorporation)

1-7784
(Commission File
Number)

72-0651161
(IRS Employer
Identification No.)

100 CenturyTel Drive, Monroe, Louisiana
(Address of principal executive offices)

71203
(Zip Code)

Registrant's telephone number, including area code (318) 388-9000

Item 5. Other Events

On January 30, 2001 the Company issued the following two press releases:

- (i) Announcement of fourth quarter 2000 operating results and
- (ii) Growth initiatives and financial guidance for 2001

Both press releases are included herein under Item 5-Other Events.

FOR IMMEDIATE RELEASE
January 30, 2001

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CenturyTel Achieves Strong Fourth Quarter Revenue and Cash Flow Growth

Monroe, LA. . . CenturyTel, Inc. (NYSE Symbol: CTL) announces operating results
for fourth quarter 2000.

- o Revenues from recurring operations climbed 24.9% to \$527.2 million.
- o Earnings before interest, taxes, depreciation and amortization from recurring operations increased 25.4% to \$269.4 million.
- o Net income from recurring operations decreased 4.3% to \$57.1 million.
- o Cash earnings per share (earnings before goodwill amortization) from recurring operations was \$.49 in both periods.
- o Diluted earnings per share from recurring operations fell 4.8% to \$.40.

Fourth Quarter Highlights*
(In thousands, except
per share amounts)

| Quarter Ended | Quarter Ended | % Change |
|---------------|---------------|----------|
| 12/31/00 | 12/31/99 | |

| | | | |
|--|------------|------------|--------|
| Revenues (1) | \$ 527,180 | \$ 422,129 | 24.9% |
| EBITDA (2) | \$ 269,379 | \$ 214,809 | 25.4% |
| Net Income (3) | \$ 57,121 | \$ 59,697 | (4.3%) |
| Cash Earnings Per Share (3) | \$.49 | \$.49 | - |
| Diluted Earnings Per Share (3) | \$.40 | \$.42 | (4.8%) |
| Average Diluted Shares Outstanding | 142,149 | 141,756 | .3% |
| Telephone Revenues (1) | \$ 376,347 | \$ 289,298 | 30.1% |
| Wireless Revenues | \$ 111,791 | \$ 100,545 | 11.2% |
| Other Operations Revenues | \$ 39,042 | \$ 32,286 | 20.9% |
| Telephone Access Lines | 1,800,565 | 1,272,867 | 41.5% |
| Wireless Units in Majority-Owned Markets | 751,200 | 696,641 | 7.8% |

* Excluding the effects of asset divestitures and nonrecurring gains and losses

(1) Includes \$85.7 million revenue contribution from Verizon acquisitions completed in third quarter 2000

(2) Earnings from recurring operations before interest, taxes, depreciation, amortization and gain on sales of assets

(3) Excludes after-tax gain on asset sale of \$7.6 million, or \$.05 per share, and non recurring charge of \$4.1 million, or \$.03 per share, in fourth quarter 1999

"CenturyTel's fourth quarter results reflect excellent growth in revenue and cash flow," Glen F. Post, III, President and Chief Executive Officer, said. "Recent wireline acquisitions from Verizon are meeting our revenue expectations with the exception of access rates in Wisconsin, and the integration of these properties is on track. We are also pleased with the results in our wireless operations this quarter as we added more than 26,000 contract wireless customers and experienced solid growth in service revenues."

Consolidated revenues from recurring operations rose 24.9% to \$527.2 million from \$422.1 million. EBITDA from recurring operations grew to \$269.4 million from \$214.8 million, a 25.4% increase. CenturyTel achieved a consolidated EBITDA margin of 51.1% during the quarter. Net income for the quarter from recurring operations declined 4.3% to \$57.1 million from \$59.7 million in fourth quarter 1999, primarily due to the interest expense increase related to the financing of approximately 500,000 telephone access lines acquired from Verizon during third quarter 2000. Cash earnings per share from recurring operations was \$.49 in both periods. Diluted earnings per share from recurring operations decreased 4.8% to \$.40 from \$.42.

Telephone revenues grew 30.1% to \$376.3 million during the quarter, compared with \$289.3 million in fourth quarter 1999. The Verizon acquisition properties contributed \$85.7 million in telephone revenues during the quarter. Telephone operating income increased 19.6%, reaching \$109.2 million from \$91.3 million, and EBITDA rose 31.9% to \$209.7 million from \$159.0 million a year ago. CenturyTel's fourth quarter telephone EBITDA margin was 55.7% while the operating income margin was 29.0%.

"We are making solid progress in our efforts to upgrade the acquired markets and bring new services to customers. We also achieved our goal of making high-speed Internet access via DSL available to more than 40% of our pre-Verizon access lines," Post said.

Wireless revenues from recurring operations grew 11.2% to \$111.8 million in fourth quarter 2000, compared with \$100.5 million in fourth quarter 1999. Wireless operating income from recurring operations was \$25.9 million compared to \$22.0 million, a 17.9% increase, and EBITDA from recurring operations increased 6.5% to \$41.9 million compared to \$39.3 million a year ago. CenturyTel's fourth quarter wireless EBITDA margin was 38.8% based on service revenues, and operating income margin was 24.0% based on service revenues. Average monthly cellular service revenue per user was \$49 during fourth quarter 2000, reflecting no decline from fourth quarter 1999. The average monthly churn rate was 2.1% for contract customers.

"CenturyTel achieved a 56% increase in contract customer net additions as compared with fourth quarter 1999. More than 19% of our wireless customers are now on digital rate plans, nearly quadruple the digital penetration at year-end 1999," Post said.

Other operations revenues from recurring operations grew 20.9% to \$39.0 million during fourth quarter 2000, compared with \$32.3 million in fourth quarter 1999. CenturyTel's long distance business generated \$3.4 million of the increase in other operations revenues. CenturyTel now serves more than 363,000 long distance customers, adding more than 16,000 during the quarter.

For the full year of 2000, consolidated revenues rose 14.7% to \$1.8 billion from \$1.6 billion. EBITDA grew to \$953.2 million from \$861.3 million, a 10.7% increase. Net income from recurring operations declined 3.5% to \$231.1 million from \$239.6 million in 1999, primarily due to increased interest expense related to acquisition financing. Cash earnings per share from recurring operations decreased 1.0% to \$1.98 from \$2.00, and diluted earnings per share decreased 4.1% to \$1.63 from \$1.70.

In addition to historical information, this release includes certain forward-looking statements that are subject to uncertainties that could cause the Company's actual results to differ materially from such statements. Such uncertainties include but are not limited to: the Company's ability to effectively manage its growth; including integrating newly acquired businesses into our operations; hiring adequate numbers of qualified staff and successfully upgrading our billing and other information systems; the inherent risk of rapid technological change; the effects of regulatory decisions affecting the Company or the telecommunications industry generally; the effects of greater than anticipated competition in the Company's markets; possible changes in the demand for the Company's products and services; the Company's ability to successfully

introduce new offerings on a timely and cost-effective basis; and the effects of more general factors such as changes in overall market or economic conditions or in legislation, regulation or public policy. These and other uncertainties related to the Company's business are described in greater detail in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

CenturyTel's management will be hosting a conference call at 4:00 P.M. Central time to discuss fourth quarter earnings and the outlook for 2001. Investors can access CenturyTel's earnings conference call and replay by accessing the company's website at (www.centurytel.com)

CenturyTel, Inc. provides communications services including local exchange, wireless, long distance, Internet access and data services to nearly three million customers in 21 states. The company, headquartered in Monroe, Louisiana, is publicly traded on the New York Stock Exchange under the symbol CTL. CenturyTel is the 8th largest local exchange telephone company, based on access lines, and the 8th largest cellular company, based on population equivalents owned, in the United States.

Visit CenturyTel's corporate Web site at (www.centurytel.com)

CenturyTel, Inc.
CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED DECEMBER 31, 2000 AND 1999
(UNAUDITED)

| In thousands, except per share amounts | 2000 | 1999 | INCREASE (DECREASE) |
|--|------------|---------|------------------------|
| TELEPHONE OPERATIONS | | | |
| Operating revenues | | | |
| Local service | \$ 123,642 | 87,415 | 41.4% |
| Network access | 217,357 | 171,377 | 26.8% |
| Other | 35,348 | 30,506 | 15.9% |
| | 376,347 | 289,298 | 30.1% |
| Operating expenses | | | |
| Plant operations | 91,437 | 63,478 | 44.0% |
| Customer operations | 29,057 | 22,513 | 29.1% |
| Corporate and other | 46,127 | 44,326 | 4.1% |
| Depreciation and amortization | 100,535 | 67,697 | 48.5% |
| | 267,156 | 198,014 | 34.9% |
| Telephone operating income | 109,191 | 91,284 | 19.6% |
| WIRELESS OPERATIONS | | | |
| Operating revenues | | | |
| Service revenues | 107,911 | 98,619 | 9.4% |
| Equipment sales | 3,880 | 3,405 | 14.0% |
| | 111,791 | 102,024 | 9.6% |
| Operating expenses | | | |
| Cost of equipment sold | 8,336 | 7,560 | 10.3% |
| System operations | 17,859 | 14,472 | 23.4% |
| General, administrative and customer service | 21,664 | 19,456 | 11.3% |
| Sales and marketing | 22,036 | 20,773 | 6.1% |
| Depreciation and amortization | 16,014 | 17,630 | (9.2%) |
| | 85,909 | 79,891 | 7.5% |
| Wireless operating income | 25,882 | 22,133 | 16.9% |
| OTHER OPERATIONS | | | |
| Operating revenues | 39,042 | 35,136 | 11.1% |
| Operating expenses | | | |
| Cost of sales and other | 30,888 | 28,595 | 8.0% |
| Depreciation and amortization | 1,187 | 3,196 | (62.9%) |
| | 32,075 | 31,791 | 0.9% |
| Other operating income | 6,967 | 3,345 | 108.3% |

| | | | |
|--|-----------|----------|----------|
| TOTAL OPERATING INCOME | 142,040 | 116,762 | 21.6% |
| OTHER INCOME (EXPENSE) | | | |
| Gain on sales of assets | - | 11,648 | (100.0%) |
| Interest expense | (63,089) | (35,832) | 76.1% |
| Income from unconsolidated cellular entities | 7,604 | 762 | 897.9% |
| Minority interest | (2,149) | (2,353) | (8.7%) |
| Other income and expense | 4,148 | 2,468 | 68.1% |
| Income tax expense | (31,433) | (32,782) | (4.1%) |
| NET INCOME | \$ 57,121 | 60,673 | (5.9%) |
| ===== | | | |
| EARNINGS PER SHARE | | | |
| Basic (1) | \$ 0.41 | 0.43 | (4.7%) |
| Diluted (2) | \$ 0.40 | 0.43 | (7.0%) |
| SHARES OUTSTANDING | | | |
| Basic | 140,325 | 139,372 | 0.7% |
| Diluted | 142,149 | 141,756 | 0.3% |
| DIVIDENDS PER COMMON SHARE | \$ 0.0475 | 0.0450 | 5.6% |

(1) Excluding the effect of asset divestitures and nonrecurring gains and losses, basic earnings per share were \$.41 and \$.43 for 2000 and 1999, respectively

(2) Excluding the effect of asset divestitures and nonrecurring gains and losses, diluted earnings per share were \$.40 and \$.42 for 2000 and 1999, respectively

CenturyTel, Inc.
CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED DECEMBER 31, 2000 AND 1999
(UNAUDITED)

| | | | | |
|---|------------|---------|--------|------------|
| Excludes the effect of asset divestitures and nonrecurring gains and losses | | | | INCREASE |
| In thousands, except per share amounts | 2000 | 1999 | | (DECREASE) |
| ----- | | | | |
| TELEPHONE OPERATIONS | | | | |
| Operating revenues | | | | |
| Local service | \$ 123,642 | 87,415 | 41.4% | |
| Network access | 217,357 | 171,377 | 26.8% | |
| Other | 35,348 | 30,506 | 15.9% | |
| | 376,347 | 289,298 | 30.1% | |
| ----- | | | | |
| Operating expenses | | | | |
| Plant operations | 91,437 | 63,478 | 44.0% | |
| Customer operations | 29,057 | 22,513 | 29.1% | |
| Corporate and other | 46,127 | 44,326 | 4.1% | |
| Depreciation and amortization | 100,535 | 67,697 | 48.5% | |
| | 267,156 | 198,014 | 34.9% | |
| ----- | | | | |
| Telephone operating income | 109,191 | 91,284 | 19.6% | |
| ----- | | | | |
| WIRELESS OPERATIONS | | | | |
| Operating revenues | | | | |
| Service revenues | 107,911 | 97,242 | 11.0% | |
| Equipment sales | 3,880 | 3,303 | 17.5% | |
| | 111,791 | 100,545 | 11.2% | |
| ----- | | | | |
| Operating expenses | | | | |
| Cost of equipment sold | 8,336 | 7,113 | 17.2% | |
| System operations | 17,859 | 14,197 | 25.8% | |
| General, administrative and customer service | 21,664 | 19,140 | 13.2% | |
| Sales and marketing | 22,036 | 20,747 | 6.2% | |
| Depreciation and amortization | 16,014 | 17,387 | (7.9%) | |
| | 85,909 | 78,584 | 9.3% | |
| ----- | | | | |
| Wireless operating income | 25,882 | 21,961 | 17.9% | |
| ----- | | | | |

| | | | |
|--|-----------|----------|---------|
| OTHER OPERATIONS | | | |
| Operating revenues | 39,042 | 32,286 | 20.9% |
| ----- | | | |
| Operating expenses | | | |
| Cost of sales and other | 30,888 | 23,649 | 30.6% |
| Depreciation and amortization | 1,187 | 1,444 | (17.8%) |
| ----- | | | |
| | 32,075 | 25,093 | 27.8% |
| ----- | | | |
| Other operating income | 6,967 | 7,193 | (3.1%) |
| ----- | | | |
| TOTAL OPERATING INCOME | 142,040 | 120,438 | 17.9% |
| ----- | | | |
| OTHER INCOME (EXPENSE) | | | |
| Interest expense | (63,089) | (35,816) | 76.1% |
| Income from unconsolidated cellular entities | 7,604 | 7,622 | (0.2%) |
| Minority interest | (2,149) | (2,353) | (8.7%) |
| Other income and expense | 4,148 | 2,574 | 61.1% |
| Income tax expense | (31,433) | (32,768) | (4.1%) |
| ----- | | | |
| NET INCOME | \$ 57,121 | 59,697 | (4.3%) |
| ===== | | | |
| EARNINGS PER SHARE | | | |
| Basic | \$ 0.41 | 0.43 | (4.7%) |
| Diluted | \$ 0.40 | 0.42 | (4.8%) |
| | | | |
| SHARES OUTSTANDING | | | |
| Basic | 140,325 | 139,372 | 0.7% |
| Diluted | 142,149 | 141,756 | 0.3% |
| | | | |
| DIVIDENDS PER COMMON SHARE | \$ 0.0475 | 0.0450 | 5.6% |

CenturyTel, Inc.
CONSOLIDATED STATEMENTS OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 2000 AND 1999
(UNAUDITED)

| In thousands, except per share amounts | 2000 | 1999 | INCREASE (DECREASE) |
|--|------------|-----------|------------------------|
| ----- | | | |
| TELEPHONE OPERATIONS | | | |
| Operating revenues | | | |
| Local service | \$ 408,538 | 353,534 | 15.6% |
| Network access | 727,797 | 654,003 | 11.3% |
| Other | 117,634 | 118,575 | (0.8%) |
| ----- | | | |
| | 1,253,969 | 1,126,112 | 11.4% |
| ----- | | | |
| Operating expenses | | | |
| Plant operations | 290,062 | 251,704 | 15.2% |
| Customer operations | 105,950 | 88,552 | 19.6% |
| Corporate and other | 163,761 | 160,631 | 1.9% |
| Depreciation and amortization | 317,906 | 273,666 | 16.2% |
| ----- | | | |
| | 877,679 | 774,553 | 13.3% |
| ----- | | | |
| Telephone operating income | 376,290 | 351,559 | 7.0% |
| ----- | | | |
| WIRELESS OPERATIONS | | | |
| Operating revenues | | | |
| Service revenues | 428,747 | 411,492 | 4.2% |
| Equipment sales | 14,822 | 10,777 | 37.5% |
| ----- | | | |
| | 443,569 | 422,269 | 5.0% |
| ----- | | | |
| Operating expenses | | | |
| Cost of equipment sold | 30,064 | 21,408 | 40.4% |
| System operations | 69,641 | 56,866 | 22.5% |
| General, administrative and customer service | 78,087 | 79,569 | (1.9%) |
| Sales and marketing | 82,673 | 61,903 | 33.6% |
| Depreciation and amortization | 65,239 | 68,593 | (4.9%) |
| ----- | | | |
| | 325,704 | 288,339 | 13.0% |
| ----- | | | |
| Wireless operating income | 117,865 | 133,930 | (12.0%) |

| | | | |
|--|------------|-----------|---------|
| ----- | | | |
| OTHER OPERATIONS | | | |
| Operating revenues | 148,388 | 128,288 | 15.7% |
| ----- | | | |
| Operating expenses | | | |
| Cost of sales and other | 112,219 | 99,151 | 13.2% |
| Depreciation and amortization | 4,911 | 6,557 | (25.1%) |
| ----- | | | |
| | 117,130 | 105,708 | 10.8% |
| ----- | | | |
| Other operating income | 31,258 | 22,580 | 38.4% |
| ----- | | | |
| TOTAL OPERATING INCOME | 525,413 | 508,069 | 3.4% |
| ----- | | | |
| OTHER INCOME (EXPENSE) | | | |
| Gain on sales of assets | 20,593 | 62,808 | (67.2%) |
| Interest expense | (183,302) | (150,557) | 21.7% |
| Income from unconsolidated cellular entities | 26,986 | 27,675 | (2.5%) |
| Minority interest | (10,201) | (27,913) | (63.5%) |
| Other income and expense | 6,696 | 9,190 | (27.1%) |
| Income tax expense | (154,711) | (189,503) | (18.4%) |
| ----- | | | |
| NET INCOME | \$ 231,474 | 239,769 | (3.5%) |
| ===== | | | |
| EARNINGS PER SHARE | | | |
| Basic (1) | \$ 1.65 | 1.72 | (4.1%) |
| Diluted (2) | \$ 1.63 | 1.70 | (4.1%) |
| ----- | | | |
| SHARES OUTSTANDING | | | |
| Basic | 140,069 | 138,848 | 0.9% |
| Diluted | 141,864 | 141,432 | 0.3% |
| ----- | | | |
| DIVIDENDS PER COMMON SHARE | \$ 0.1900 | 0.1800 | 5.6% |

(1) Excluding the effects of asset divestitures and nonrecurring gains and losses, basic earnings per share were \$1.65 and \$1.72 for 2000 and 1999, respectively

(2) Excluding the effects of asset divestitures and nonrecurring gains and losses, basic earnings per share were \$1.63 and \$1.70 for 2000 and 1999, respectively

CenturyTel, Inc.
CONSOLIDATED STATEMENTS OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 2000 AND 1999
(UNAUDITED)

| | | | |
|---|------------|-----------|------------------------|
| Excludes the effect of asset divestitures and nonrecurring gains and losses | | | |
| In thousands, except per share amounts | 2000 | 1999 | INCREASE (DECREASE) |
| ----- | | | |
| TELEPHONE OPERATIONS | | | |
| Operating revenues | | | |
| Local service | \$ 408,538 | 339,123 | 20.5% |
| Network access | 727,797 | 631,819 | 15.2% |
| Other | 117,634 | 112,254 | 4.8% |
| ----- | | | |
| | 1,253,969 | 1,083,196 | 15.8% |
| ----- | | | |
| Operating expenses | | | |
| Plant operations | 290,062 | 239,691 | 21.0% |
| Customer operations | 105,950 | 84,743 | 25.0% |
| Corporate and other | 163,761 | 157,104 | 4.2% |
| Depreciation and amortization | 317,906 | 263,169 | 20.8% |
| ----- | | | |
| | 877,679 | 744,707 | 17.9% |
| ----- | | | |
| Telephone operating income | 376,290 | 338,489 | 11.2% |
| ----- | | | |
| WIRELESS OPERATIONS | | | |
| Operating revenues | | | |
| Service revenues | 428,735 | 398,676 | 7.5% |
| Equipment sales | 14,740 | 10,242 | 43.9% |
| ----- | | | |
| | 443,475 | 408,918 | 8.5% |

| | | | |
|--|------------|-----------|---------|
| ----- | | | |
| Operating expenses | | | |
| Cost of equipment sold | 29,987 | 20,575 | 45.7% |
| System operations | 69,541 | 54,518 | 27.6% |
| General, administrative and customer service | 78,087 | 77,409 | 0.9% |
| Sales and marketing | 82,664 | 61,224 | 35.0% |
| Depreciation and amortization | 65,155 | 65,982 | (1.3%) |
| ----- | | | |
| | 325,434 | 279,708 | 16.3% |
| ----- | | | |
| Wireless operating income | 118,041 | 129,210 | (8.6%) |
| ----- | | | |
| OTHER OPERATIONS | | | |
| Operating revenues | 144,623 | 114,222 | 26.6% |
| ----- | | | |
| Operating expenses | | | |
| Cost of sales and other | 105,515 | 80,827 | 30.5% |
| Depreciation and amortization | 4,387 | 3,911 | 12.2% |
| ----- | | | |
| | 109,902 | 84,738 | 29.7% |
| ----- | | | |
| Other operating income | 34,721 | 29,484 | 17.8% |
| ----- | | | |
| TOTAL OPERATING INCOME | 529,052 | 497,183 | 6.4% |
| ----- | | | |
| OTHER INCOME (EXPENSE) | | | |
| Interest expense | (182,890) | (136,933) | 33.6% |
| Income from unconsolidated cellular entities | 32,316 | 34,535 | (6.4%) |
| Minority interest | (10,201) | (12,283) | (17.0%) |
| Other income and expense | 14,616 | 8,772 | 66.6% |
| Income tax expense | (151,788) | (151,676) | 0.1% |
| ----- | | | |
| NET INCOME | \$ 231,105 | 239,598 | (3.5%) |
| ===== | | | |
| EARNINGS PER SHARE | | | |
| Basic | \$ 1.65 | 1.72 | (4.1%) |
| Diluted | \$ 1.63 | 1.70 | (4.1%) |
| ----- | | | |
| SHARES OUTSTANDING | | | |
| Basic | 140,069 | 138,848 | 0.9% |
| Diluted | 141,864 | 141,432 | 0.3% |
| ----- | | | |
| DIVIDENDS PER COMMON SHARE | \$ 0.1900 | 0.1800 | 5.6% |

CenturyTel, Inc.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2000 AND DECEMBER 31, 1999
(UNAUDITED)

| | December 31, 2000 | December 31, 1999 |
|------------------------------------|----------------------|----------------------|
| ----- | | |
| (in thousands) | | |
| ----- | | |
| ASSETS | | |
| ----- | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 19,039 | 56,640 |
| Other current assets | 357,465 | 229,433 |
| ----- | | |
| Total current assets | 376,504 | 286,073 |
| ----- | | |
| PROPERTY, PLANT AND EQUIPMENT | | |
| Telephone | 4,999,808 | 3,439,469 |
| Wireless | 522,684 | 472,725 |
| Other | 392,024 | 281,713 |
| Accumulated depreciation | (2,955,223) | (1,937,449) |
| ----- | | |
| Net property, plant and equipment | 2,959,293 | 2,256,458 |
| ----- | | |
| INVESTMENTS AND OTHER ASSETS | | |
| Excess cost of net assets acquired | 2,509,033 | 1,644,884 |
| Other | 548,460 | 517,992 |
| ----- | | |
| Total investments and other assets | 3,057,493 | 2,162,876 |

| | | |
|--------------|--------------|-----------|
| TOTAL ASSETS | \$ 6,393,290 | 4,705,407 |
|--------------|--------------|-----------|

LIABILITIES AND EQUITY

CURRENT LIABILITIES

| | | |
|--|------------|---------|
| Short-term debt and current maturities of long-term debt | \$ 324,986 | 62,098 |
| Other current liabilities | 317,408 | 247,079 |

| | | |
|---------------------------|---------|---------|
| Total current liabilities | 642,394 | 309,177 |
|---------------------------|---------|---------|

| | | |
|--|-----------|-----------|
| LONG-TERM DEBT | 3,151,268 | 2,078,311 |
| DEFERRED CREDITS AND OTHER LIABILITIES | 567,549 | 469,927 |
| STOCKHOLDERS' EQUITY | 2,032,079 | 1,847,992 |

| | | |
|------------------------------|--------------|-----------|
| TOTAL LIABILITIES AND EQUITY | \$ 6,393,290 | 4,705,407 |
|------------------------------|--------------|-----------|

CAPITAL EXPENDITURES
TWELVE MONTHS ENDED DECEMBER 31, 2000 AND 1999

| | 2000 | 1999 | INC (DEC) |
|----------------------------|------------|---------|--------------|
| (in thousands) | | | |
| Telephone | \$ 275,523 | 233,512 | 18.0% |
| Wireless | 58,468 | 58,760 | (0.5%) |
| Other | 115,546 | 97,708 | 18.3% |
| Total capital expenditures | \$ 449,537 | 389,980 | 15.3% |

CAPITAL EXPENDITURES
THREE MONTHS ENDED DECEMBER 31, 2000 AND 1999

| | 2000 | 1999 | INC (DEC) |
|----------------------------|------------|---------|--------------|
| (in thousands) | | | |
| Telephone | \$ 117,682 | 88,334 | 33.2% |
| Wireless | 19,504 | 14,498 | 34.5% |
| Other | 29,670 | 50,150 | (40.8%) |
| Total capital expenditures | \$ 166,856 | 152,982 | 9.1% |

FOR IMMEDIATE RELEASE
January 30, 2001

FOR MORE INFORMATION CONTACT:
Jeffrey S. Glover (318) 388-9648
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CenturyTel Outlines Growth Initiatives and Financial Guidance for 2001

Monroe, LA. . . CenturyTel, Inc. (NYSE Symbol: CTL) announces its growth initiatives and financial guidance for 2001.

CenturyTel expects total company revenues to increase approximately 16% to 19% and will likely range from \$2.15 billion to \$2.20 billion for 2001. It is anticipated that operating cash flow will rise 14% to 18% and range from \$1.04 billion to \$1.08 billion. This anticipated increase represents an acceleration in cash flow growth from the low teens range experienced in 2000 into the upper teens range for 2001. CenturyTel believes total operating income will rise to between \$550 million and \$600 million. The company anticipates fully diluted earnings per share will range from \$1.65 to \$1.75 for the year. Cash earnings per share will likely range from \$2.07 to \$2.17.

There are several factors which will affect 2001 earnings growth: (1) estimated CLEC startup losses of \$15 million; (2) additional interest expense stemming from the Verizon acquisitions; (3) lower than anticipated telephone revenues due in part to access rates in the state of Wisconsin; and (4) further reductions in wireless roaming revenues.

"We are confident in our ability to drive incremental cash flows, reduce debt, and enhance our earnings growth rate over time," Glen F. Post, III, President and Chief Executive Officer, said. "We also expect to resolve the access rate issues in Wisconsin by the end of the year as we are committed to working with the Wisconsin Public Service Commission to obtain a fair solution."

CenturyTel anticipates first quarter 2001 revenues will likely range from \$510 to \$525 million. Operating cash flow will likely range from

\$245 million to \$260 million. CenturyTel believes total operating income should be approximately \$130 million to \$145 million. The company anticipates earnings per share will range from \$.34 to \$.38 for the quarter. Cash earnings per share will likely range from \$.44 to \$.48 for the first quarter 2001.

All amounts disclosed above exclude one time items.

Growth Initiatives:

o CenturyTel believes high-speed access will revolutionize the way people communicate, conduct their business, and receive their entertainment. The company's goal is to make DSL available in 70% to 80% of its local exchange markets excluding the acquired Verizon lines. CenturyTel also plans to deploy DSL in 50% to 60% of the Verizon markets.

o CenturyTel is focused on the continued integration of the Verizon access lines and the deployment of new services such as caller ID, Voice Mail, DSL, and dial-up Internet access in a number of the newly acquired markets.

o The company plans to continue to drive incremental revenue streams and grow its customer base in existing markets.

o In its wireless markets, CenturyTel will continue to focus on offering competitive rate plans with the goal of stimulating digital subscriber growth.

o CenturyTel will continue to look for additional strategic acquisitions and pursue nonstrategic asset sales where feasible to reduce debt, either of which could impact our results.

"CenturyTel has an aggressive plan for driving strong long-term growth in our markets," said Glen F. Post III, President and Chief Executive Officer. "Our focus in 2001 is to continue to execute our growth initiatives and lay the foundation for the future. We believe very strongly that the future for CenturyTel lies in owning the high speed data relationship with our customers and expanding into new markets."

In addition to historical information, this release includes forward-looking statements, estimates and projections that are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond the control of CenturyTel. Actual events and results may differ materially from those anticipated, estimated or projected if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to: the Company's ability to effectively manage its growth; including integrating newly acquired businesses into our operations; hiring adequate numbers of qualified staff and successfully upgrading our billing and other information systems; the inherent risk of rapid technological change; the effects of on-going changes in the regulation of the Company or the communications industry generally; the effects of greater than anticipated competition in the Company's markets; possible changes in the demand for, or pricing of, the Company's products and services; the Company's ability to successfully introduce new offerings on a timely and cost-effective basis; higher than anticipated interest rates; and the effects of more general factors such as changes in overall market or economic conditions or in legislation, regulation or public policy. These and other uncertainties related to the Company's business are described in greater detail in the Company's Annual Report on Form 10-K for the year ended December 31, 1999. The information contained in this release is as of January 30, 2001. The Company undertakes no obligation to update or revise any of this information whether a result of new information, future events or developments, or otherwise.

CenturyTel's management will be hosting a conference call at 4:00 P.M. Central time to discuss fourth quarter earnings and the outlook for 2001. Investors can access CenturyTel's earnings conference call and replay by accessing the company's Web site at (www.centurytel.com).

CenturyTel, Inc. provides communications services including local exchange, wireless, long distance, Internet access and data services to nearly three million customers in 21 states. The company, headquartered in Monroe, Louisiana, is publicly traded on the New York Stock Exchange under the symbol CTL. CenturyTel is the 8th largest local exchange telephone company, based on access lines, and the 8th largest cellular company, based on population equivalents owned, in the United States.

Visit CenturyTel's corporate Web site at (www.centurytel.com).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CenturyTel, Inc.

By: /s/ Neil A. Sweasy

Neil A. Sweasy
Vice President and Controller

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